

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

APPLICATION OF TREE-LINE UTILITIES)
INC., D/B/A TREE-LINE ESTATES SEWER)
FOR AUTHORITY TO ACQUIRE AND)
OPERATE THE TREE-LINE ESTATES SEWER)
SYSTEM CURRENTLY OPERATED BY)
BALDWIN-UNITED MORTGAGE COMPANY)

CASE NO. 8093

O R D E R

On December 10, 1980, Tree-Line Utilities, Inc., d/b/a Tree-Line Estates Sewer System ("Applicant"), filed an application with the Public Service Commission, formerly the Utility Regulatory Commission, seeking approval of the purchase of the assets of Tree-Line Estates Sewer System from the present owner, Baldwin-United Mortgage Company ("Seller"), pursuant to the Purchase and Escrow Agreement entered into by Applicant and Seller on July 1, 1980. The terms and conditions of said agreement are set out in the copy thereof filed in this record as Applicant's Exhibit No. 2.

On March 3, 1981, the Commission issued an Order which scheduled the matter for public hearing on March 19, 1981. The hearing was conducted as scheduled at the Commission's offices in Frankfort, Kentucky, with all parties of record in attendance.

COMMENTARY

The Tree-Line Estates Sewer System is located in Jefferson

County, Kentucky, and consists of a treatment plant and collection facilities designed to serve 175 single-family residences or their equivalent. Seller has owned the sewer system since 1979 subsequent to taking deed in lieu of foreclosure.

FINDINGS IN THIS MATTER

The Commission, after consideration of the evidence of record and being fully advised, is of the opinion and finds that:

1. Applicant is ready, willing and able to purchase, operate and provide adequate and reliable service to the customers presently served by the Seller. Further, that Seller is ready, willing and able to sell inasmuch as it wishes to completely divest itself of the ownership and operation of the waste treatment system.

2. The quality of service to the customers presently served by the Seller will not suffer; Applicant will employ, to operate the system, its sister corporation, Andriot-Davidson Service Company, Inc., which possesses both experience and expertise in the operation and maintenance of waste treatment facilities. Further, that Andriot-Davidson Service Company, Inc., constructed the waste treatment plant of the Tree-Line Estates Sewer System and has operated and maintained the plant for the Seller and previous owners since the initial construction was completed.

3. The agreed upon purchase price is ten dollars. The purchase is contingent upon the execution by Applicant of a \$25,000 note payable to the Seller, the proceeds of which will be used by Applicant to finance the construction necessary to increase the capacity of the treatment plant, as was approved in URC Case No. 7500.

4. The purchase, by Applicant, of the assets of the Tree-Line Estate Sewer System, pursuant to the terms and conditions of the Purchase and Escrow Agreement entered into by Applicant and Seller on July 1, 1980, is in the public interest and should be approved.

5. Applicant will adopt the existing sewage disposal service rates for the continuance of service by Applicant to the customers presently served by the Seller.

ORDERS IN THIS MATTER

The Commission, on the basis of evidence of record and being fully advised:

HEREBY ORDERS that the purchase of the assets of the Tree-Line Estates Sewer System by Tree-Line Utilities, Inc., is hereby approved and authorized.

IT IS FURTHER ORDERED that Tree-Line Utilities, Inc., adopt the existing sewage disposal service rates approved for Tree-Line Estates Sewer System in URC Case No. 7500.

IT IS FURTHER ORDERED that Tree-Line Utilities, Inc., shall file with this Commission within thirty days from the date of this Order its original tariff sheets setting forth its rates, rules and regulations as required by KRS 278.160.

Done at Frankfort, Kentucky, this 29th day of May, 1981.

PUBLIC SERVICE COMMISSION

Marlin M. Voth
Chairman

Katherine Randall
Vice Chairman

Jim Hansen
Commissioner

ATTEST:

Secretary